To: City of Bend City Council

From: Vacation Home Rental Task Force members

Date: March 5, 2015

Re: Recommendations for your consideration

The twenty-three members of the City of Bend Vacation Home Rental Task Force forward to you the attached recommended revisions to Chapter 7 of the Bend Municipal Code for your consideration. The Task Force approved the recommended code language by consensus.

The City Council asked the Task Force to provide recommendations to protect the livability of our community from the impacts of a changing tourist and travel market while recognizing that short term rentals support the economy. Council recognized, however, that the impact has fallen disproportionately on several established neighborhoods. The members of the Task Force worked collaboratively and efficiently to develop these recommendations. We solicited input from community members, reviewed approaches by other communities, and studied and discussed the issues.

The Task Force sought consensus on all of our agreements and we were able to reach consensus on 17 of 19 of our recommendations. If we were not able to reach consensus, a majority vote was required for inclusion of a recommendation. Recommendations below are noted as either having been agreed to by consensus or majority agreement.

Please note, the Task Force recommends, by consensus, the use of the term "Short Term Rental" in lieu of "Vacation Home Rental." This term will be found throughout our recommendations. We also use the abbreviation "STR."

Thank you for the opportunity to serve and help you make these important decisions.

Recommendations

We approved the following recommendations on February 19 and March 5, 2015:

<u>Consensus 1.</u> Annual licenses will be valid for a 12-month period and must be renewed annually, with the caveat that there is some concern about how high the licensing fees may be.

<u>Agreement 1</u>: A representative (owner or owner's designee) shall be available to be contacted and to ensure a response to the STR at all hours (24/7) while the unit is occupied as a short term rental.

<u>Consensus 2</u>. The following information should be required on the license application:

- Representative's name, address, e-mail address, and telephone number.
- Phone number shall be operative at all hours (24/7) during business hours, after hours, and on weekends.
- If permanent contact information changes during the year, license information shall be revised with the City at least 14 days prior to the date the change takes effect; in an emergency, forwarding contact information may be provided instead.

<u>Consensus 3 and 4:</u> The representative's name, email address, and telephone number shall be distributed to neighbors as follows:

The owner or authorized agent shall either:

- A. Provide an annual mailing or distribute by hand to neighbors, within a 250-ft radius, with STR property address, operating license number and representative contact information; if contact information changes, the owner or authorized agent shall re-send the mailing or re-distribute; or
- B. Post a small placard or sign near the adjacent street with STR property address, operating license number and representative contact information.

In addition:

 The city shall develop an electronically accessible database within which someone can enter an address of a STR and obtain the representative's name and telephone number.

<u>Consensus 5</u>. The operating license issued by the City to the STR property owner shall include the following items specific to the STR:

- 1. A number or other identifying mark unique to the operating license which indicates the license is issued by the City of Bend, with the date of expiration;
- 2. The property address;
- 3. The maximum occupancy permitted for the STR;
- 4. The name of the representative and telephone number;
- 5. The number of approved parking spaces;
- 6. Any required information and conditions specific to the operating license (such as a maximum of 20 days available for rent per 12-month period);
- 7. In addition, the City of Bend official logo should appear on the license.

AND

The operating license shall be posted in a prominent location on an interior wall of the dwelling, consistent with BMC 7.10.060 which states that a regulatory permit "shall be posted in a conspicuous place at the site of the permitted activity or otherwise immediately available for inspection."

<u>Consensus 6</u>. A signed certification shall be required, with license application and each renewal, which indicates that parking spaces are available, with a dated photo submitted of interior and exterior parking spaces. A parking diagram of the parking spaces shall be provided to STR renters.

<u>Consensus 7</u>. Copies of any STR advertisement website url(s) (or VRBO, AirBnB, rental website property number) shall be required for license application and renewal, if they advertise.

<u>Consensus 8</u>. The City shall require that the STR license number appear on any advertisement for a STR, where legally possible.

<u>Agreement 2</u>. A completed checklist for fire safety shall be required with each annual operating license application and renewal.

<u>Consensus 9</u>: The City shall recommend to owners or their agents that it is a best practice for STRs to have a fire and life safety inspection.

<u>Consensus 10</u>. The owner or manager shall provide some proof (to be determined by City staff) that the property was rented at some point in the prior 12 months in the operating license renewal application (assuming the property was in use for a year prior to the effective date).

Consensus 11. A guest log book should not be required for a STR operating license.

<u>Consensus 12</u>. The owner or representative shall respond to complaints in a reasonably timely manner, depending on the circumstances.

<u>Consensus 13</u>. The City shall recommend to owners or their agents that they maintain a record of complaints and their resolution.

<u>Consensus 14</u>. Violations will be specific to the STR address and the use of the dwelling as a STR (e.g., if a citation occurs while the dwelling is being utilized as a long-term rental, then the violation would not contribute to the STR penalty section). Certain violations will result in the immediate loss of the ability to operate and/or penalties. Certain violations are subject to warnings and revocation (due process provisions). The code will specify the various processes.

- 1. Failure to obtain or renew an operating license.
- 2. Providing material false or misleading information in the license application.
- 3. Failure to operate a short term rental as required by the license chapter.
- 4. Advertising, offering for rent, or renting a STR in a manner that does not comply with the license chapter.
- 5. Failing to comply with the substantive standards of the operating license chapter (subject to due process).
- 6. The owner or representative failed to respond to an inquiry or complaint by the City under the complaint process as further defined in the code.

7. Depending on the severity and circumstances, the owners or tenants of the STR violated the noise or nuisance provisions of the Bend Municipal Code resulting in a final citations (subject to due process).

<u>Consensus 15</u>. A violation may be enforced as a Class A civil infraction. Depending on the seriousness and type of the violation, the City may provide the following:

- 1st violation: a warning notice.
- 2nd violation (or same offense continues to occur) during 12 months: a second warning or suspension depending on the violation. (Types of violations and their different results will be classified by the City.)
- 3rd violation (or same offense continues to occur) within the same 12-month period: the license will be revoked.

The City shall provide to owner, and agent if known, written notice of license suspension or revocation and information on their right to appeal.

Consensus 16. A license suspension or revocation can be appealed as follows:

- The City can suspend or revoke a permit for noncompliance with 30 days written notice. A revocation and suspension process may be combined.
- The appellant shall provide written notice of appeal within 30 days of the written notice of license suspension and/or revocation.
- The appeal is to the City Council. A City Council public hearing shall be held and scheduled in conformance with Chapter 7.10. The appellant shall be provided at least 14 days written notice.
- Pending resolution of the appeal before the City Council, the short-term rental use may continue.
- The City Council's decision is the final decision of the City.
- The City Council decision may be appealed to Circuit Court.
- After a license has been revoked, the dwelling unit may not be used as a STR unless a new license has been granted.
- Owners, and authorized agents if known, will be notified at every step of the process.

<u>Consensus 17:</u> After license revocation, the dwelling unit may not be used as a STR until a new land use permit and license are granted. The owner, whose license had been revoked, shall not be eligible to reapply for a license for 12 months from date of revocation.